



Capital Planning Committee

Capital Plan for FY2021 (July 1, 2020 – June 30, 2021) 5-Year Plan for FY2021 – FY2025

Date: Thursday, June 25, 2020

Time: 5:00pm-7:00pm

Location: Zoom Meeting

Minutes

Attendance: Stephen Andrew, Advisor (left at 6:15pm),
Joseph Barr (left at 5:45pm),
Ida Cody,
Charlie Foskett,
Phyllis Marshall,
Michael Mason (left at 5:50pm),
Chris Moore,
Angela Olszewski,
Sandy Pooler,
Brian Rehrig,
Timur Kaya Yontar.

Not in attendance: Julie Wayman, Management Analyst.

Meeting Opened: Mr. Yontar called the meeting to order at 5:02pm. The minutes of the meeting of February 13, 2020 were reviewed and unanimously approved (moved by Mr. Rehrig, seconded by Mr. Foskett). Mr. Yontar also checked in with Committee members to make sure that they were all doing OK through the ongoing Coronavirus pandemic.

Town Meeting Recap: Mr. Yontar provided a quick overview of the discussions that took place at Town Meeting. Cuts were made to the operating budget but not to the capital budget, to avoid deferring necessary expenditures that will only grow in cost in the future. There were some questions about the police vehicle budget, but these were addressed without cuts. Mr. Yontar thanked everyone who helped get the report ready.

Future Revenue Projections: Mr. Pooler provided the Committee with updates on the future revenue projections that are being used for financial planning:

- For future planning, the Town is assuming a 15% cut in state aid as compared to January number from the state.
- Legislature will be doing monthly (1/12 of a year) budgets for the next few months at least, which means that state aid is level-funded.
- The Town did apply for ~\$1M in CARES Act funding.
- Since the revenue projections were never increased to reflect the originally proposed increase in state aid, they didn't have to be cut significantly, since the 15% reduction in state aid is about the same as the proposed increase.
- The Town is somewhat buffered by the recently passed override and the five-year funding plan, but lowered state aid will eventually create a need for a larger override in the future, which may be politically controversial.

Nominations for Committee Officers: Mr. Pooler temporarily chaired the meeting during the nomination process. The Committee nominated and voted on the Fiscal Year 2022 Committee Officers, with the following votes:

Position	Chair	Vice Chair	Secretary
Nominee	Mr. Yontar	Mr. Moore	Mr. Barr
Nominated By	Mr. Moore	Mr. Yontar	Mr. Foskett
Seconded By	Mr. Foskett	Mr. Foskett	Mr. Yontar
Mr. Barr	Yes	Yes	Yes
Ms. Cody	Yes	Yes	Yes
Mr. Foskett	Yes	Yes	Yes
Ms. Marshall	Yes	Yes	Yes
Mr. Mason	Yes	Yes	Yes
Mr. Moore	Yes	Yes	Yes
Ms. Olszewski	Yes	Yes	Yes
Mr. Pooler	Yes	Yes	Yes
Mr. Rehrig	Yes	Yes	Yes
Mr. Yontar	Yes	Yes	Yes
Elected?	Yes	Yes	Yes

Major To-Do Items for the Coming Fiscal Year: Mr. Yontar congratulated Mr. Foskett on being appointed as the head of the Finance Committee following Al Tosti's retirement from that position (which will mean that Mr. Foskett will be retiring from this Committee). Mr. Yontar then summarized the following key issues that need to be discussed in the upcoming Fiscal Year:

- Filling the moderator-appointed vacancies created by Mr. Andrew's and Mr. Rehrig's resignations from the Committee. These vacancies will be advertised in the Advocate, but also looking for recommendations from Committee members.
- Communicating with department heads; the list of items that committee members should ask about during fall interviews is in the meeting agenda, including the following:
 - Status of prior year appropriations.
 - Any changes to requests submitted in prior rounds.

- New project requests.
 - Coordination with the Facilities Department for relevant projects.
 - Prioritization of departmental requests.
- The meeting materials included a document from Ms. Marshall listing the questions that she asks about project status.
- The Committee discussed ways to create a more standardized way for subcommittees to report the status of existing and proposed projects.
- The Committee discussed ways to compare and aggregate priorities across departments (particularly given the likelihood of revenue shortfalls in the future), including creating a Committee to consider this issue.
 - The Committee discussed the need to prepare in advance for situations where the capital budget requests exceed the available budget, and how those will be prioritized.
 - Mr. Rehrig indicated that in the past, there has not been that much need to weigh these types of priorities, although Mr. Andrew indicated that there has been a need for this type of approach in the past.
 - Mr. Andrew felt that it would be good to have an approach to this in place to help deal with future revenue shortfalls, while Mr. Foskett felt that it may be difficult (and possibly unwise) to try to set priorities across departments with widely varying activities and missions.
 - Mr. Barr suggested that possibly departments should be asked to set priorities within their requests, so that the Committee is in a better position to decide which items are most critical to stay in the plan.
 - There was a sense that Subcommittees should ask discerning questions to better understand the departmental priorities.
- The Committee discussed the items that are likely to be too big to fit in the plan, including the increasing cost of playgrounds, additional roadway repairs, library buildings, additional costs associated with the AHS rebuild, and other high cost (or quickly increasingly costly) items. Mr. Yontar suggested that there be point persons for each of these areas, who can try to better understand the needs and work to figure out how to pay for these items.
 - Mr. Foskett noted that some of these larger items may require decision-making that goes beyond the purview of the Committee.
 - For playground projects, there will need to be outreach to the Recreation Director and to the Community Preservation Act Committee (which has paid for non-school playgrounds for several years).
- The Committee discussed working on setting up written policies that the Committee will follow (such as a bonding policy) to ensure consistency and reassure the rating agencies. There was general support for this approach and a suggestion that a Subcommittee be created to propose specific policies.
- The Committee also discussed being more transparent about how the capital budget should be adjusted when bonds are not issued according to the originally assumed schedule or cost, which can create additional budget capacity that could be recaptured (or could be returned to free cash). This is mostly a timing issue, and Town staff is working to mitigate this by better matching the borrowing schedule to the actual need for funds.

- Mr. Yontar discussed the need for knowledge transfer from Mr. Rehrig about how to prepare the Access database and Excel spreadsheet that drive the calculations that generate the numbers in the plan. Mr. Rehrig will be working with Mr. Yontar and Ms. Wayman to transfer this knowledge and create documentation of the process.

Final Thoughts: Mr. Foskett noted that he is very pleased with the team that is working on the Capital Plan moving forward, and thanked the Committee for all their work. Mr. Rehrig echoed those thoughts regarding the good work that the Committee has done and will continue to do in the future. The other Committee members expressed their thanks and appreciation for the work that Mr. Foskett and Mr. Rehrig have done for the Committee over the years.

Meeting Adjournment: The meeting adjourned unanimously at 6:40pm (moved by Mr. Rehrig, seconded by Mr. Foskett).